(a) whether, while seeking approval of the Centre for the POSCO steel project involving an investment of Rs. 51,000 crores, the Orissa Government has furnished all relevant background of the foreign investors, for a critical evaluation by the Centre;

(b) whether POSCO of Korea had earlier explored setting up of a mega steel plant in Brazil and China, if so, whether both the countries declined to oblige POSCO to have captive iron ore lease; and

(c) whether POSCO has secured the State Government's commitment to export a part of the ore against national interest?

THE MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) POSCO has signed a Memorandum of Understanding with the Government of Orissa on 22.06.2005 to set up a steel plant of 12 million tonnes per annum capacity. As the steel industry is delicenced and deregulated, no prior permission of the Union Government is required to set up steel plants in the country except for certain locational restrictions. Similarly, 100% foreign direct investment is allowed in steel sector and is under automatic route. The Ministry of Mines is yet to receive any proposal for grant of prospecting licence or mining lease for iron ore.

(b) Various options are explored by project authority while conceiving a project. The details of options explored by POSCO prior to entering into a Memorandum of Understanding with Government of Orissa are not available with the Government. The Government of Orissa has also informed non availability of any such information.

(c) No, Sir.

Export of Iron Ore

1953. SHRI AJAY MAROO: Will the Minister of STEEL be pleased to state:

(a) the policy of Government with regard to the export of iron ore and other important minerals;

(b) whether permission from Government is compulsory to send minerals from one State to another;

(c) whether any request from the Government of Jharkhand or any other State has been received in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) The export of iron ore with iron content up to 64% and Iron ore of Goa and Redi origin, irrespective of iron ore content, are free. Iron ore with iron content more than 64% is canalized through designated State Trading Enterprise, namely, MMTC Limited. Likewise, there are quantitative and qualitative restrictions on export of chrome ore and manganese ore.

(b) Movement of minerals outside the State is not prohibited and no permission is required from the Central Government for movement of minerals from one State to another.

(c) and (d) Government has not received any proposal in this regard.

Import duty on scrap steel

1954. SHRI C. PERUMAL: Will the Minister of STEEL be pleased to state:

(a) whether his Ministry has taken up with the Ministry of Finance for reducing the import duty for scrap steel which is required for secondary steel markets;

(b) if so, the reaction of the Ministry of Finance thereto;

(c) whether demand and production level has been assessed for the next decade;

(d) if so, the action plan initiated in this regard; and

(e) if not, the reasons therefor?